

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION FOR THE TRANSFER OF)	
OWNERSHIP OF A & B SANITATION COMPANY,)	
INC., AND FOR A RATE ADJUSTMENT PURSUANT)	CASE NO. 10391
TO THE ALTERNATIVE RATE FILING PROCEDURE)	
FOR SMALL UTILITIES)	

O R D E R

On September 26, 1988, Bil Darby filed an application for Commission approval of his purchase of the capital stock of A & B Sanitation Company, Inc. ("A & B Sanitation"), a corporation operating a packaged sewage treatment facility in Richmond, Kentucky. A & B Sanitation concurrently filed an application for rate adjustment. These applications were consolidated into one case. A public hearing on both applications was held on February 16, 1989. This order addresses only Darby's application for Commission approval of the stock purchase.

After review of the evidence of record and being sufficiently advised, the Commission finds:

1. On October 16, 1986, A & B Sanitation petitioned for relief from its creditors under Chapter 7 of the United States

Bankruptcy Code. In Re A & B Sanitation Co., No. 86-01045 (Bankr. E.D. Ky.).¹

2. On November 11, 1987, Darrel W. Angle, the sole stockholder of A & B Sanitation, agreed to sell his stock interest to Darby. This sale was subsequently approved by the United States Bankruptcy Court on June 29, 1988.

3. Darby has operated the utility's sewage treatment facility since February 1988.

4. Darby has received training in wastewater treatment plant operations.

5. Darby currently employs a wastewater treatment operator certified by the Kentucky Board of Certification of Wastewater System Operators to supervise the sewage treatment facility's operations. He employs two other persons to perform maintenance on the facility.

6. Darby has the financial, technical, and managerial abilities to provide reasonable utility service to the customers of A & B Sanitation.

IT IS THEREFORE ORDERED that the sale of capital stock of A & B Sanitation by Darrel W. Angle to Bil Darby be and it hereby is approved.

¹ This case remains open. On June 29, 1988, the Bankruptcy Trustee was permitted to abandon all the company's physical assets, including the sewage treatment facility, office equipment, and real estate. On March 9, 1989, the Trustee submitted his final report to the Bankruptcy Court and moved that the case be closed. A ruling on this motion is pending.

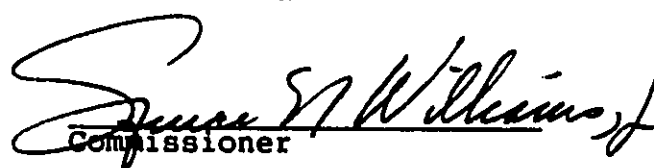
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Done at Frankfort, Kentucky, this 30th day of March, 1989.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director